



## The Star-Ledger

### Reducing energy bills, pollution and dependence

Monday, November 14, 2005

**BY JEANNE M. FOX**

As the autumn warmth is slowly swept away by winter winds, New Jersey residents and businesses are faced with the worry of rising energy costs and adequate supply. Production and refinery capacities have been extended to their limits for quite some time, and the Gulf Coast hurricanes compounded the problem. In the absence of an effective national strategy to help control energy costs and reduce our dependence on foreign fuels, New Jersey has taken action on its own.

The New Jersey Clean Energy Program is nationally recognized as one of the very best programs in the country for increasing the use of renewable energy, reducing pollution, slashing customer bills and creating jobs. The program was not originally structured to produce such results but has undergone a successful transformation that began almost four years ago.

During its first three years, the program was floundering and lacked uniform policy goals, and the seven New Jersey utilities in charge were running up costs of more than 20 percent on administration, employing more than 100 utility staff and contractors. With the help of a talented team of career civil servants, the New Jersey Board of Public Utilities made a change for the better. The program now spends about 7 percent on administrative costs, leaving 93 percent for rebates and incentives, with an immediate benefit to ratepayers.

The board also created a 20-member advisory council made up of government and industry representatives, energy experts, public interest groups and academics. This council meets publicly and makes recommendations to the board.

The program has brought direct savings and incentives to the ratepayers of New Jersey. In 2004 alone, 40,000 homeowners, businesses and public buildings received a benefit from the program and even generated surplus energy. Overall, there was enough energy generated to meet the electric needs of 46,000 homes.

In that same year, the number of independent solar electric system contractors rose from two to 100. In 2001, there were just six solar systems installed in New Jersey. In less than three years, 850 homes, businesses, schools and municipal buildings have received solar systems and are now generating their own energy from the sun. Those same people who now have solar happily receive a zero balance due on their electric bills.

As a benefit to our environment, since 2002, the program has cut the amount of pollutant emission in the air by 9.6 million metric tons. These include carbon dioxide, nitrogen oxide, sulfur dioxide and mercury.

How did we achieve such dramatic success? We have rebuilt this program, made it more effective and have gained national prominence for cutting-edge innovations. We have been able to increase solar installations in such great numbers because of an efficient rebate program.

Anyone interested in installing solar panels on a home or office roof has been able to save up to 70 percent on the cost of the system through rebates. The program has been made possible by the creation of the Clean Energy Trust Fund, which allows rebates to be processed without getting bogged down in traditional government bureaucracy.

To ensure that all expenditures from the trust fund are consistent with the objectives and procedures of the program, four to six board program managers and an independent contractor sign off on solar rebates and any other related transactions for the program.

The Attorney General's Office also reviews all official board orders for legal sufficiency. All these controls have existed since the inception of the fund to ensure proper use of ratepayer contributions. In addition, the board has worked with the Treasury Department to make sure all safeguards are being followed.

The result is that New Jersey is on its way to generating 20 percent of its energy from renewable resources by 2020, which will help stabilize volatile energy costs, reduce customer bills, improve our air quality, create jobs and reduce our dependence on foreign fuels.

Mary Shields, vice president of BP Solar North America, recently described New Jersey's solar policy as "one of the best in the world."

If you are interested in clean energy alternatives and want to take advantage of solar rebates, visit [www.njcleanenergy.com](http://www.njcleanenergy.com). The Clean Energy Web site will also give you more tips on how to keep energy costs low during this heating season.

*Jeanne Fox is president of the New Jersey Board of Public Utilities.*

© 2005 The Star Ledger

© 2005 NJ.com All Rights Reserved.